

PX 200

Message

From: Brad Garlinghouse [redacted@ripple.com]
on behalf of Brad Garlinghouse [redacted@ripple.com > [redacted@ripple.com]]
Sent: 5/9/2018 5:10:29 PM
To: Ethan Beard [Ethan Beard [redacted@ripple.com >]]
Subject: updated
Attachments: Ethan Beard_Offer_May9.docx

Ethan,

Attached is an updated offer.

Material updates:

[redacted]

I will try you this evening

Best,
Brad



RIPPLE

EMPLOYMENT OFFER LETTER

May 9, 2018

Dear Ethan,

Congratulations! Ripple (the "**Company**") is excited to present to you the following offer to join our team.

1. **Position.** Your initial title will be SVP of Xpring reporting to CEO, Brad Garlinghouse, commencing on TBD (the "**Start Date**"). Your normal place of work is 315 Montgomery St. San Francisco, CA 94104. This is a full-time, exempt position, in compliance with the Fair Labor Standards Act (FLSA). By signing this letter agreement, you confirm to the Company that you have no contractual commitments or other legal obligations that would prohibit you from performing your duties for the Company.
2. **Cash Compensation.** You will receive an annual salary of [REDACTED] less applicable withholding, which will be paid in accordance with the Company's semi-monthly payroll procedures. You should note that the Company reserves the right to modify salaries from time to time as it deems necessary.
3. **Bonus Compensation.** You will be eligible to receive an annual target bonus of up to [REDACTED] of your annual base salary (pro-rated based on start date) measured by individual and company performance. You should note that the Company reserves the right to modify target bonus percentages from time to time as it deems necessary. Your target bonus will be paid on an annual basis. [REDACTED]

In addition, you will receive [REDACTED] XRP annually on the anniversary of your Start Date for the years 2019, 2020, 2021 and 2022 (the "XRP Awards") provided you are continuously employed full-time by the Company on such anniversary dates. You understand and agree that, related to payment in XRP, you will review and acknowledge any relevant disclosures at the time of payment. In the event of a Change of Control, the Company will ensure that the surviving entity or acquiring entity will (i) assume the Company's obligation to distribute the XRP Awards to you or (ii) substitute similar awards for the XRP Awards.

4. **Stock Options.** In addition to your salary, we will recommend to the Company's Board of Directors ("Board") at its next regularly scheduled meeting that the company grants you an option to purchase [REDACTED] of the Company's shares (the "Award") at a price per share equal to the fair market value per share of the Company's Common Stock on the date of grant, as determined by the Company's Board of Directors. Your Award will vest exercisable over a four-year period, with [REDACTED] vesting on the one-year anniversary of

your Start Date and with the balance vesting equally every month thereafter over the following 36 months. The Award will be subject to the terms and conditions of the Company's 2014 Stock Plan and Award agreement. The fair market value per share of the Company's common stock is determined by the Board in good faith compliance with applicable guidance in order to avoid having the Award be treated as deferred compensation under Section 409A of the Internal Revenue Code of 1986, as amended. There is no guarantee that the Internal Revenue Service will agree with this valuation. You should consult with your own tax advisor concerning the tax risks associated with accepting the Award. One of Ripple's unique differentiators is XRP, a digital asset we believe is well positioned to solve the liquidity challenges facing financial institutions today. Ripple currently owns approximately 61% of all XRP which, based on a 30-day average valuation of \$0.66/ XRP, amounts to over \$40 billion. Your Ripple stock options, at today's rate of exchange, exposes you to [REDACTED] of XRP

5. **Change of Control.** The Company recognizes that upon a Change of Control, it is appropriate to provide you with accelerated vesting if your employment is involuntarily terminated without Cause or you are Constructively Terminated during the period commencing three (3) months prior to and ending eighteen (18) months after a Change of Control (the "Protection Period"). Accordingly, upon such termination you will be entitled to an accelerated vesting of 50% of the number of shares which remain unvested as of the date of your termination or Constructive Termination. If you are terminated with Cause or voluntarily resign your employment following any Change in Control, but are not Constructively Terminated, you will not be entitled to any accelerated vesting. For purposes of this offer letter, "Cause", "Change of Control" and "Constructive Termination" shall have the meaning set forth on Exhibit B. Your right to such acceleration is conditioned upon your signing the Company's then current standard form of release releasing the Company (or any successor entity), its officers, directors and affiliates from all liability whatsoever.
6. **Employee Benefits.** As an employee, you will also be eligible to receive certain employee benefits offered by the company. These benefits are outlined in the described in the attached Ripple Benefits Presentation.
7. **Employment Relationship.** You should be aware that your employment with the Company is for no specified period and constitutes at-will employment. As a result, you are free to resign at any time, for any reason or for no reason. Similarly, the Company is free to conclude its employment relationship with you at any time, with or without cause, and with or without notice.
8. **Eligibility for Employment.** For purposes of federal immigration law, you will be required to provide to the Company documentary evidence of your identity and eligibility for employment in the United States. Such documentation must be provided to us within three (3) business days of your date of hire, or our employment relationship with you may be terminated.

9. **Outside Activities.** You agree that, during the term of your employment with the Company, you will not engage in any other employment, occupation, consulting or other business activity directly related to the business in which the Company is now involved or becomes involved during the term of your employment, nor will you engage in any other activities that conflict with your obligations to the Company.
10. **Code of Conduct.** As a Company employee, you will be expected to abide by Company rules and regulations. You will be specifically required to sign an acknowledgement that you have read and that you understand the Company rules of conduct.
11. **Proprietary Information and Inventions Agreement.** You will be expected to sign and comply with the Company's Proprietary Information and Inventions Agreement attached as, which requires, among other things, the assignment of your rights to any intellectual property made during your employment at the Company and the nondisclosure of proprietary information.
12. **Reference and Background Screening.** This offer and your continuous employment with Ripple is conditional upon a satisfactory reference and background check. You will be receiving an email shortly from our third-party screening company, HireRight. Please follow the email's directions to initiate your reference and background screening immediately after accepting this offer letter. If you have provided personal references, Ripple management reserves the right to conduct those reference checks internally. Your reference and background check may delay your start date or cause your employment to be conditional on satisfactory completion of such a check and restricted in scope, at Ripple's sole discretion.
13. **Entire Agreement.** This letter and the agreement relating to proprietary rights between you and the Company set forth the terms of your employment with the Company and supersede any prior representations or agreements, whether written or oral. This letter may not be modified or amended except by a written agreement, signed by an officer of the Company and by you.
14. **Acceptance.** To indicate your acceptance of the Company's offer, please return the following documents completed, dated and signed:
 - This offer letter
 - The Proprietary Information and Inventions Agreement
 - Code of Conduct Acknowledgment


[Signature Page Follows]

We look forward to working with you at Ripple.

Very truly yours,

RIPPLE

By: _____

Name  _____

Title: VP of People _____

AGREED AND ACCEPTED:

By: _____

Name: _____